

INFORMATION BULLETIN

JOB TRAINING PARTNERSHIP ACT

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TO: SERVICE DELIVERY AREA ADMINISTRATORS
PRIVATE INDUSTRY COUNCIL CHAIRPERSONS
JTPD PROGRAM OPERATORS
EDD JOB SERVICE OFFICE MANAGERS
JTPD STAFF

SUBJECT: PROPOSED MODEL FOR MEASUREMENT OF PERFORMANCE UNDER
THE CALIFORNIA WAIVER PLAN

This Information Bulletin provides a proposed model for the measurement of performance improvement under the California State Waiver Plan. The concept is based upon the guiding principles outlined in the Job Training Partnership Act (JTPA) Information Bulletin B97-83.

Attachment 1 of this bulletin describes the methodology for applying the proposed model. Attachment 2 provides an example of calculating an adjusted performance goal in two Service Delivery Areas (SDA) with differing levels of actual performance. This approach is consistent with the state's and the local areas' commitment to the principle of continuous improvement, while taking into account local factors.

This concept was discussed and a final model adopted at the SDA Advisory Committee Meeting on Thursday, January 15, 1998. On Thursday, January 22, 1998, Ray Remy, Director of the Employment Development Department, met with Armando Quiroz, Region IX Administrator, Department of Labor (DOL). Mr. Quiroz reaffirmed the position of DOL National Office to resolve California's concerns and institute waivers in a fair and equitable manner. Region IX has forwarded this model to the National Office as a positive solution for implementing waivers in California.

While we await a response from the DOL National Office, we offer you the opportunity to review and comment on the attached model. Please direct all questions to Michael Evashenk, Policy Section Manager, at (916) 654-7616. You may forward all written comments by fax to (916) 654-9586 or e-mail to **JTPDLIB@EDD.CA.GOV** (Subject line should read: "Waivers").

/S/ BILL BURKE
Acting Assistant Deputy Director

Attachments

PROPOSED MODEL FOR MEASUREMENT OF PERFORMANCE IMPROVEMENT UNDER WAIVERS

The proposed model was developed around the following principles of performance improvement:

- California and the local areas are committed to continuous improvement.
- Lower performing local areas will be expected to increase their performance relatively more than higher performing local areas.
- Expectations for performance improvement should consider the relative potential for success (e.g. a local area with poor economic conditions and a large client base with multiple barriers should not be expected to perform as well as an area without these challenges.)

The column references below refer to the attached table. The attached table is for example purposes only. In the example, the base year is Program Year (PY) 1995-96 and the measurement year is PY 1996-97. For the purpose of evaluating performance under waivers, California proposes that the base year be PY 1996-97 and the measurement year be PY 1998-99. Upon agreement to employ this measurement model, a similar table will be developed for each of the four performance measures to be reviewed after waivers implementation. (See JTPA Information Bulletin B97-83, Attachment 1.)

Column A	This represents ranges for <u>actual</u> performance in PY 1995-96. These ranges are the framework to address the principle that a higher performer should not be expected to increase performance to as great a degree as a relatively lower performer. Under the proposed plan for evaluating waivers, a local area would be assigned to a range based on its actual performance in PY 1996-97.
Column B	This is the performance improvement expectation under waivers for each range.
Column C	Calculation of the expected improvement amount (Column A multiplied by Column B).
Column D	The unadjusted actual performance expectation after implementation of waivers. This is actual performance in the base year plus the performance increase defined in Column C.
Column E	This is the adjustment to the actual performance expectation based on the "risk factors in the local area." The number used is the local area adjustment to the national departure point as defined by the Secretary of Labor's performance model.
Column F	Expected actual performance by the local area after implementation of waivers.

Proposed Model for Performance Measurement⁽¹⁾

Example: Title III Entered Employment Rate Performance Measure

	(A)	(B)	(C)	(D)	(E)	(F)
Example SDAs with their Actual Performance for PY 1995-96	Ranges for Actual PY 1995-96 Performance	Expected Percentage Improvement	Actual Performance Increase (AxB)	PY 1996-97 Unadjusted Performance Goal (A+C)	PY 1996-97 Performance Model Adjustment (4)	Adjusted PY 1996-97 Performance Goal (D+E)
	=>80% ⁽²⁾	0.0%				
	77.1 - 79.9%	1.0%				
	74.1 - 77.0%	2.0%				
	70.1 - 74.0%	3.0%				
SDA "A" 68.82%	67.1 - 70.0%	4.0%	2.75%	71.6%	2.3%	73.9%
	60.1 - 67.0%	5.0%				
SDA "B" 50.71%	<=60.0% ⁽³⁾	=>6.0%	3.04%	53.8%	1.4%	55.2%

(1) Program Year (PY) 1995-96 is used as the base year for example purposes only.

(2) Expected performance is capped at 80% in this example.

(3) The State will negotiate an expected performance increase with SDAs when performance is 60% or below on a case by case basis.

(4) Actual adjustment to the national departure point. The calculation of this factor occurs at the end of the program year. It represents the effect of local factors (participant characteristics and economic conditions) on SDA performance expectations compared to national averages.